



# California Postsecondary Education Commission

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## FOR IMMEDIATE RELEASE

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## Commission Will Address College Costs Reaching Crisis Proportions: Student Debt Load Rising

SACRAMENTO — June 14, 2006 — Rising tuition costs—and other expenses associated with attending college such as fees, housing, and books—are significantly impacting the ability of talented students to attend and graduate from California colleges and universities.

Howard Welinsky, Chair of the California Postsecondary Education Commission (CPEC), observed, “Nationally, the levels of student-acquired debt have steadily increased over the past decade. The majority of California students who most recently graduated from the state’s four-year institutions, both public and private, are carrying debt loads in excess of \$20,000. Some have much more debt. Some are avoiding debt by postponing their education while they work.”

“Financial aid has not kept pace with the rapid growth of the total cost of attending colleges and universities, impacting both low- and middle-income students’ ability to pay,” said Murray J. Haberman, the Commission’s Executive Director. “This problem is reaching crisis proportions for individual students and their families,” he said.

The rising costs of attending college are impacting students’ life choices and the state’s economy in many ways:

- Students can incur large amounts of debt and this could affect major decisions, such as when or if to buy a home, whether to pursue an advanced degree, and what type of career choice to make.
- Debt avoidance also has consequences. Students who work through their college career usually take longer to graduate and are less likely to complete their degree.
- The affordability crisis is exacerbating workforce needs in lower-paying, public service sectors. Students who intend to become teachers, nurses, or social workers now face economic disincentives to do so and might choose higher-earning careers, creating a shortage in high-demand jobs.

California must address this crisis in order to maintain its thriving economy and quality of life. CPEC is taking the first steps to address the issue of college affordability by hosting panels of higher education affordability experts at its June 27, 2006, meeting. It will also create an affordability advisory committee to address the college affordability crisis. For more information, please refer to CPEC’s report on college affordability and student debt at [www.cpec.ca.gov/Agendas/Agenda0606/Tab\\_02.pdf](http://www.cpec.ca.gov/Agendas/Agenda0606/Tab_02.pdf).

*The California Postsecondary Education Commission advises the Governor and the Legislature on higher education policy and fiscal issues. The Commission’s primary focus is to ensure that the state’s educational resources are used effectively to provide Californians with postsecondary education opportunities.*

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